

DOCKET FILE COPY ORIGINAL
Before the
Federal Communications Commission
Washington, D. C. 20554

In the Matter of)
)
Domestic and International Section) WC Docket No. 04-13
214 Applications Filed for Acquisition) IB No. ITC-ASG-20040112-00012
of Assets of Allegiance Telecom by)
Qwest Communications International Inc.)

ORDER**Adopted: March 2, 2004****Released: March 2, 2004**

By the Chief, Competition Policy Division, Wireline Competition Bureau
and the Chief, Policy Division, International Bureau:

1. On December 31, 2003, Allegiance Telecom, Inc., Debtor-in-Possession, (ATI) (with operating subsidiaries, Allegiance) and Qwest Communications International Inc. (QCII) (with its operating subsidiaries, Qwest Communications Corporation (QCC) and Qwest Corporation (QC), (Qwest)) (Allegiance and Qwest, collectively, the Applicants) filed an application, pursuant to sections 63.03, 63.04, and 63.12 of the Commission's rules,¹ for consent to transfer from Allegiance to Qwest substantially all of the assets used by Allegiance in the provision of domestic telecommunications services. Applicants filed a section 214 application for the acquisition of Allegiance's assets used in the provisioning of international services by Qwest on January 12, 2004. On January 21, 2004, the Commission released a Public Notice seeking comment on the domestic and international 214 applications.²

2. On February 12, 2004, Allegiance commenced an auction for the sale of its assets and announced on February 13, 2004, that XO Communications Inc. (XO) had submitted the highest bid in the auction.³ On February 19, 2004, the U.S. Bankruptcy

¹ 47 C.F.R §§ 63.03, 63.04, 63.12; see 47 U.S.C. § 214.

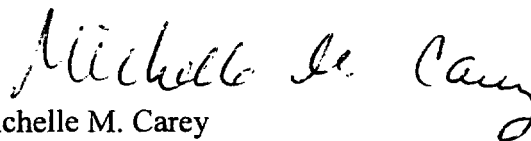
² *Commission Seeks Comment on Application for Acquisition of Assets of Allegiance Telecom, Inc. By Qwest Communications International Inc.*, WC Docket No. 04-13, Public Notice, DA 04-136 (rel. Jan. 21, 2004).

³ See Letter from Peter A. Rohrbach, Counsel for Qwest Communications International Inc. and Jean L. Kiddoo, Counsel for Allegiance Telecom, Inc., Debtor-In-Possession to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 04-13, IB File No. ITC-ASG-20040112-00012 (filed February 20, 2004) (Allegiance/Qwest Letter).

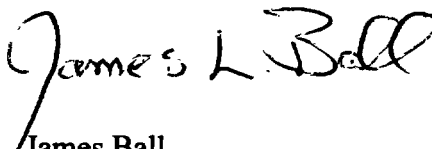
Court for the Southern District of New York confirmed XO as the winning bidder.⁴ Consequently, on February 20, 2004, Applicants filed a letter with the Commission's Secretary stating their intent to terminate the Allegiance/Qwest transaction and requested that the Commission dismiss the application without prejudice.⁵

3. Accordingly, IT IS ORDERED, pursuant to sections 0.51, 0.91, 0.261 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.51, 0.91, 0.261 and 0.291, that the joint application of Allegiance Telecom, Inc., Debtor-in-Possession and Qwest Communications International Inc. IS DISMISSED without prejudice and WC Docket No. 04-13 IS HEREBY TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION



Michelle M. Carey
Chief, Competition Policy Division
Wireline Competition Bureau



James Ball
Chief, Policy Division
International Bureau

⁴ *Id.*

⁵ *Id.*